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MEMORANDUM

To: Reporters and Editors
Re: Medicaid budgeting policy
Da: Wednesday, Feb. 25, 2004

Sen. Chuck Grassley, chairman of the Committee on Finance, today made the following comment on the Centers for Medicare and Medicaid Services' withdrawal of emergency revisions to the budgeting and expenditure form submitted by states known as CMS-37. CMS had announced the revisions with only 24 hours for public consideration.

"I commend the Centers for Medicare and Medicaid Services for withdrawing the emergency revisions to the budgeting and expenditure form submitted by states known as CMS-37. Introducing more prospective review into budgeting is a promising idea. I welcome efforts to fight fraud. Still, I'm disappointed by the chain of events leading up to this point. We need an open, public process when considering changes in the Medicaid federal and state partnership. I hope CMS will be careful about this in the future. Turning around a policy with only 24 hours of public consideration should happen only in the most extreme emergencies. I'm not sure this qualified as an extreme emergency."